

## **Federal Advisory Council**

On September 2, 2011, the Federal Advisory Council met with the Board of Governors to discuss standards for qualified residential mortgages (QRMs) under the proposed interagency rule on risk retention (Docket No. R-1411). During the discussion, Council members expressed concern about the potential effect the QRM standards might have on loan underwriting more broadly. The Council provided written views, which are provided below.

### **Mortgage Foreclosures and Debt Overhang in the Housing Markets**

**Are there any actions that can be taken by government to expedite the recovery of the housing markets?**

- Amend the proposed QRM (Qualified Residential Mortgage) rules, which have the potential to restrict availability and increase the cost of home mortgages.